

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Postal Regulatory Commission
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VALASSIS NSA

Docket No. MC2012-14

Docket No. R2012-8

RESPONSE OF Tribune Democrat TO NOTICE OF INQUIRY NO. 1

The Tribune Democrat is a daily newspaper serving Cambria Country Pa., with a daily circulation of 40,000.

We submit this declaration in support of NAA's Response to Notice of Inquiry No. 1

The Tribune Democrat registers its opposition to the Valassis NSA and the harm that it would cause to the market for the distribution of preprint advertising inserts. Newspapers compete in this market with direct mailers such as Red Plum. The customers are the retailer advertisers; the vendors are newspapers and direct mailers.

Response To Questions

1. For fiscal year 2010, we estimate that advertising inserts for durable and semi-durable goods from national retailers represented 23% of total advertising revenues (including ROP, classified, and digital advertising), 25% of total print advertising revenue, and 92% of total preprint advertising revenue.

2. For fiscal year 2011, we estimate that advertising inserts for durable and semi-durable goods from national retailers represented 23% of total advertising revenues (including ROP, classified, and digital advertising), 25% of total print advertising revenue, and 92% of total preprint advertising revenue.

3. Our newspaper distributes Total Market Coverage products to non-subscribers. These TMC products are distributed mid-week and contain advertising inserts from grocery stores, cable companies, fast food, etc.

.....For fiscal year 2011, we estimate that we distributed 52 packages of TMC advertising inserts displaying durable and semi-durable goods from national retailers via the Postal Service and 40,000 packages via private delivery carriers or through other delivery methods.

4. For fiscal year 2010, we estimate that we mailed approximately 52 packages of TMC product for which we paid the Postal Service approximately \$100,000.

5. For fiscal year 2011, we mailed approximately 52 packages of TMC product for which we paid the Postal Service approximately \$100,000

6. We estimate that the Postal Service will lose approximately \$100,000 from our mid-week TMC postage if the Valassis NSA is approved.

7. The Tribune Democrat employs more than 150 people and has more than 250 carriers. We distribute advertising for local businesses that sell durable and semi- durable goods nationally. If Valassis is allow special pricing, it will devastate our insert business and could result in a 35% layoff of UNION jobs!

I state under penalty of perjury that the foregoing is true and correct to the best of my knowledge.
Executed on June 20, 2012.

Robin L. Quillon
Publisher- Tribune Democrat